

# THE Call Sheet

SCREEN ACTORS GUILD



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## IT'S NOW OR NEVER

# VOTE YES ON AUTHORIZATION!

You will be getting a ballot soon in the mail which will ask you to give the Screen Actors Guild National Board strike authority as a tool to end management's intransigence in bargaining the TV/Theatrical Contract. It does not mean you are voting to strike, only to give your board the power to call one if necessary.

Strike authorization ballots are scheduled to be mailed out to paid-up SAG members in mid-January. The ballots will be tabulated three weeks after they are mailed to members, so it's important you return them as soon as possible. Your National Negotiating Team is asking you to vote yes.

"A yes vote sends a strong message that we are serious about fending off rollbacks and getting what is fair for actors in new media," said SAG National President Alan Rosenberg.

An overwhelming 87 percent of respondents told the National Negotiating Team in September, via response cards in the special bulletin that was sent, that the TV/Theatrical deal on the table was unacceptable. Apparently our employers weren't listening, or didn't

think you were serious, so it's up to you to tell them again IN NO UNCERTAIN TERMS.

No matter what they say, voting yes does not guarantee a strike will happen, and authorization only applies to the TV/Theatrical Contract. (Other contracts like Commercials, Basic Cable, Animation, Industrial/Educational and Interactive would not be subject to this authorization.)

Clearly, nobody wants a strike. Authorization is simply your way of empowering your Screen Actors Guild negotiators, and yourself.

Vote yes for your future. Vote yes for authorization.

Keep reading to learn more about why voting yes is so important...

## YES, AUTHORIZATION IS IN YOUR BEST INTERESTS. *Here's Why...*

It would be cynical to say that the Alliance of Motion Picture and Television Producers, representing the entertainment industry's largest employers, got the present it secretly wished for during the holiday season: an economic downturn. But the timing does work in the AMPTP's favor, because it allows them to frighten you into taking a bad deal.

Here's the dirty little secret they don't want you to know: Entertainment generates billions of dollars each year, whether times are good or bad. (Granted, it generates more in when times are good...) Entertainment is arguably this country's biggest export, and with new media poised to break wide open in the years ahead – some predict bigger than DVDs, VHS and other "old" forms of distribution ever did – you can see why they don't want to bargain with you for what's fair. And by that, we mean what's necessary for our survival.

We can't speak for other industry professionals, but the deal on the table does not address the economic realities of actors.

In fact, not only are the bosses reluctant to give any in their proposal, but they actually want to roll back what you already have. They want to take residuals out of the equation for products made for new media, which your SAG Negotiating Team believes will be the predominant form of distribution for entertainment content in the future.

We know all too well that residuals are how many actors make ends meet. If we let them do this, it could be the beginning of the end of residuals in not just new media, but ALL media.

They also want the Guild to allow non-union work on new media projects below the \$15,000-per-minute threshold, which, by all indications, will be the majority of work out there. We already have jurisdiction in new media, and yet they want us to violate our own Rule 1!

**AUTHORIZATION IS IN YOUR BEST INTERESTS** continued on page 2



## A Message from YOUR CHIEF NEGOTIATOR



Dear Members:

This may be the most important *Call Sheet* you ever receive from your Guild, because we are asking you to make a hard choice. We are asking you to vote yes on strike authorization in support of your TV/Theatrical Contract negotiators.

It is deeply unfortunate, but after months of good faith on the part of Screen Actors Guild, our employers have chosen to dictate rather than negotiate, to bully rather than bargain.

We began our negotiations with the AMPTP on April 15, and we met with them often, always on their turf. We proposed numerous painful compromises in the interest of reaching a deal, but they still maintained their arrogant "take it or leave it" posture.

That same posture, as many members will recall, deprived actors of significant income in home video and DVDs.

Only the stakes are much higher now. As film and television transition into new media, our employers want us to sign a deal that will mean the beginning of the end of all residuals. That's something we just can't do. On average, residuals are two-thirds to a half of our members' incomes.

Management also seeks to codify the Guild's endorsement of non-union production. That goes against Rule 1 and everything we stand for.

What our employers propose is not even just what it appears on the surface, which is a radically unfair deal, but it is in fact union busting in disguise. They want to gut our contract protections in new media to take away protections like residuals, minimums, and pension and health – and new media is clearly where our work is headed fast.

We would be sorely remiss to look back with the knowledge that we signed away our own future.

Screen Actors Guild cannot speak for other unions, the decisions of their leadership or the pressures they might have felt in making their deals with the AMPTP. Management has perpetuated the myth of a one-size-fits-all "template" in new media. We want what all unions want – the right to negotiate a fair deal for our members.

Nobody wants a strike. In November, SAG received the help of a federal mediator in hopes of ending our employers' intransigence. It was a short discussion, with the AMPTP ultimately crossing its arms.

At this juncture, we have exhausted all other options for diplomacy. Now we need you to authorize new leverage. Please vote yes on authorization.

*Doug Allen, National Executive Director and Chief Negotiator*

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They want to erode our hard-fought protections in other ways as well.

- They want to take force majeure out of the TV/Theatrical Contract. So if a production shuts down due to an "act of god" and you're out of work, you're also out of pay and out of luck.
- They want you to endorse products within scripted content without any extra pay, which cheats TV/Theatrical actors and would be devastating to those who work the Commercials Contract as well.
- They even want to take away your right to be paid your meal penalty on film shoots.

That's not to mention that they still stubbornly refuse to increase mileage after almost 30 years. Their argument on mileage is, "If we give an increase to Screen Actors Guild, we'll have to give it to everyone."

And our response to that is, "Exactly!"

Now that's not to say that there wasn't some generosity in the proposed deal. They did offer to increase work for background performers in television, for example: by exactly one.

You do the math about how all of this will affect you, but we want you to look at both the short term and the long term. Will you be able to afford to continue to be a professional in this industry? We know times are tough. Times were tough during the Great Depression, when this union was founded to protect the rights of all actors. It took courage then to stand up to the men who ran the studios, as it does now.

Quite simply, this vote is about your future, and the future of those who will come after us.

The AMPTP succeeded in cutting you out of billions in home video profits, and it looks like history will repeat itself if you don't vote yes on the authorization. While we know the current crisis will not be over any time soon, the economy is cyclical and it eventually will rebound. But many careers will never rebound if we accept this bad contract.

As you consider whether a yes vote is the right decision, continue reading this special issue of the *Call Sheet*. You'll find out more about why your National Negotiating Committee and many of your fellow actors believe that voting yes is the only responsible decision....

*EDITOR'S NOTE: Don't think they're trying to scare you? See our responses on page 3 to the myths they've perpetuated to do just that...*

## The Road to Strike Authorization

### FEBRUARY 29

The member-driven W&W input process concludes. The major concerns of actors will be reflected in SAG's proposals.

### APRIL 15

SAG begins negotiations with the AMPTP.

### JUNE 30

The AMPTP extends its unacceptable "final offer."

### JULY 10

The Guild presents its counterproposal.

### JULY 16

The AMPTP refuses, and formal bargaining

### AUGUST 21

SAG's National Board of Directors votes unanimously to reject the unacceptable June 30 offer.

### SEPTEMBER 17

More than 87 percent of SAG members responding via a special bulletin card tell SAG negotiators to keep bargaining, that the June 30 deal is unacceptable.

### OCTOBER 19

The SAG National Board votes to request a federal mediator to help restart negotiations. It also votes to send a strike authorization ballot to members, if mediation fails.

### NOVEMBER 22

SAG-AMPTP mediations fail after the AMPTP presents a deal virtually identical to the June 30 offer, and the federal mediator



# How We Got Here

Since 2005, Screen Actors Guild staff and committee members have been preparing for the re-negotiation of the TV/Theatrical Contract. That work has included thousands of hours of research, with an eye toward the most recent changes in media and technology. Feedback from members working under the contract has been key. Much of that member input was culled through the Wages and Working Conditions (W&W) process, which was conducted jointly with sister union AFTRA.

Screen Actors Guild and AFTRA have a long history of bargaining together. This time AFTRA formally rescinded joint bargaining, just weeks after it formally renewed its commitment to joint bargaining at a meeting held with the AFL-CIO in March. A joint SAG-AFTRA committee unanimously approved the TV/Theatrical proposal package that same month.

The following is a timeline of key events relating to negotiations:

## FEBRUARY 2008

Individual W&W committees across the country met to formulate proposals. Town hall-style W&W membership caucuses were held in numerous cities.

## FEBRUARY 29

The W&W proposal process concluded.

## MARCH 25

The joint SAG-AFTRA W&W Plenary Committee reviewed all of the proposals from around the country and forged a unanimously adopted proposal package.

## MARCH 29

The Screen Actors Guild and AFTRA national boards met separately at the same hotel to consider the proposed package prior to a scheduled joint meeting that afternoon. The SAG board voted to approve. The AFTRA board voted to break off from SAG and bargain the joint contract alone. SAG officially asked AFTRA to return to Phase 1 joint bargaining on four occasions. AFTRA refused every time.

AFTRA has six TV shows covered by this contract and about \$40 million in earnings. Comparatively, SAG has more than 100 TV shows and all motion pictures produced under this agreement, representing more than \$4 billion in SAG member earnings over the last three years.

SAG did not attempt to raid the daytime program *The Bold and the Beautiful*, although AFTRA has repeatedly made this claim. Susan Flannery, a star of the show, issued a public statement confirming that AFTRA's claim is false. To read Flannery's letter online, go to [www.sag.org/newsletters-11](http://www.sag.org/newsletters-11).

## APRIL 15

Screen Actors Guild began negotiations with the AMPTP. Other union observers, including AFTRA, the WGA, AFM and the Teamsters were invited to attend most SAG bargaining days.

## MAY 6

The AMPTP suspended talks with us to begin negotiations with AFTRA.

Just before AFTRA started bargaining, our negotiating committee provided a full briefing of the status of our negotiations

to the AFTRA committee and distributed detailed status charts for SAG and AMPTP proposals.

## MAY 7 TO MAY 28

AFTRA and the AMPTP met. SAG observers were often told not to attend whole days of AFTRA's talks. They were permitted in the room only a handful of days, and not at all during the last seven days.

## MAY 28

AFTRA and the AMPTP reached a tentative agreement, six hours before our negotiations with the AMPTP resumed.

SAG resumed talks at 10 a.m.

## MAY 29

AFTRA briefed our negotiating committee on their tentative agreement.

## JUNE 9

SAG held a rally at SAG headquarters in support of its negotiators and launched the "Vote No" campaign, urging AFTRA members not to ratify the tentative agreement, which mirrors the AMPTP's June 30 "final" offer to SAG.

## JUNE 30

The AMPTP extended its "final offer." We have continued to discuss the outstanding issues dividing us with industry representatives since that date.

## JULY 1

Screen Actors Guild members continued to work beyond the 12:01 a.m. contract expiration.

## JULY 8

AFTRA members ratified the AMPTP offer with 62% of those who returned a ballot voting in favor, compared to the 93% vote of AFTRA members who returned a ballot to ratify the daytime TV Net Code contract. AFTRA's broadcast non-actor members were encouraged to vote yes to help fund their P&H benefits.

## JULY 10

Screen Actors Guild presented its counterproposal.

## JULY 16

The AMPTP gave its response and formal bargaining recessed.

## AUGUST 21

Screen Actors Guild National Board of Directors voted unanimously to reject the AMPTP's June 30 offer and did not agree to send it to the members.

## PRESENT

Smaller group meetings and exchanges continued with the employers, their AMPTP representatives and a core group of leaders in both organizations.



## OUTSTANDING ISSUES - AT A GLANCE

Why does this chart look familiar? Because it is virtually the same one we sent to members in September, outlining the differences in our reasonable requests and the AMPTP's "our way or the highway" dictates in the bargaining process. While we proposed numerous painful sacrifices in our attempts to reach a fair deal, our level of commitment to the bargaining process was not met by the AMPTP. It is for that reason that we are asking for a strike authorization.

PROPOSAL	AMPTP PROPOSALS (JUNE 30, 2008)	SCREEN ACTORS GUILD PROPOSALS
<b>Union Contract Coverage in New Media</b>	If producer chooses, no original new media production costing less than \$15,000 per minute would be covered by this contract's terms.	All new media productions made by AMPTP companies are covered by TV/Theatrical Contract, regardless of budget. We have proposed a tiered system, similar to our low budget feature contracts, which sets minimums per budget level.
<b>Residuals in New Media</b>	No residuals for made for new media program reused on ad-supported new media, meaning the program could run forever and never pay residuals.	All new media productions should pay residuals, regardless of the exhibition platform. Residuals paid on all programs used in new media.
<b>Residuals for Programs Produced Prior to 1974 and Moved Over to New Media</b>	No residuals to performers in programs produced prior to 1974.	Residuals paid on <u>all</u> programs used in new media, including library product from the past.
<b>Product Integration</b>	No notice, no consent by actor, no compensation for product integration—and no study either.	Performers notified and, if they consent, are paid when requested to extol a product in scripted programming. A study of product integration trends should be conducted.
<b>Background Actors</b>	In Western background zones, adds 1 background actor, excluding 1 stand-in, to the television count and add 2 background actors, <u>including</u> all stand-ins, to the theatrical count.	Starting in the first contract year, exclude all stand-ins from the count (as they are on East Coast jobs), while increasing BG numbers by 2, then by 3 more in the second year, and by 3 additional in the last year. Additional background zone in New Mexico.
<b>Stunt Coordinators' Television Residuals</b>	No residuals for TV stunt coordinators.	Residuals for TV stunt coordinators.
<b>DVD Residuals</b>	No increase in DVD residuals.	P&H contributions paid on top of the current DVD formula, thereby increasing the payment 15%.
<b>Force Majeure</b>	Cuts force majeure provisions (protecting actors' pay) from our contract.	Preserve all force majeure provisions of the contract that have protected actors' pay for decades.
<b>Union Security in New Media</b>	Performers engaged to work on a covered new media production would not be required to become a member of the Guild in good standing until they worked for at least ninety (90) days.	SAG rejects this. The current contract says that membership cannot be required of a performer by a producer as a condition of employment until thirty (30) days after first employment.
<b>Mileage</b>	No increase. The current reimbursement rate has not changed for 30 years.	Increase mileage reimbursement rate from 30¢ to 40¢/mile. The IRS reimbursement is 58.5¢/mile.
<b>Major Role Premium</b>	Increase from 7.5% to 10%	Increase from 7.5% to 13%.
<b>French Hours (Motion Pictures Only)</b>	On a vote of the cast present on the first day of principal photography, "french hours" would be instituted, meaning there is no designated meal break and performers eat when they can.	SAG rejects this proposal to eliminate scheduled meal times.